IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

THURSDAY, THE EIGHTH DAY OF DECEMBER
TWO THOUSAND AND FIVE

PRESENT

THE HON'BLE MR JUSTICE V.ESWARAIAH

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WRIT PETITION NO : 22561 of 2005

Between:

M/s. Per SFT, Rep.by its Proprietor Maj. Shivakiran
having its office at 6-3-1216/50 Methodist Colony
Begumpet Hyderabad.

..... PETITIONER

AND

Airport Authority of India Rep.by its Airport Director
Hyderabad Airpoet at Begumpet Hyderabad-500 016

.....RESPONDENT

The Court made the following:

ORDER:

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Questioning the action of the respondent in issuing the impugned proceedings in Proc.AAI/HY/TM/08/05/8322, dated 07.07.2005; proceedings No.AAI/HY/TM/08/05/8882, dated 11.07.2005 and proceedings No.AAI/HY/COMML/EST-14-A/9687, dated 02.08.2005, demanding the petitioner to pay the licence fee for 650 trolleys instead of 400 trolleys, the present writ petition has been filed.

The case of the petitioner, in brief, is that the respondent authority issued tender notification in the month of October, 2001 for advertisement Contract at Hyderabad Airport and the petitioner was declared as successful bidder for the same and accordingly, the respondent sent a communication to him on 4/8.10.2001 awarding the said contract for a period of five years. Thereafter, the petitioner entered into an agreement on 23.01.2002 for the period with effect from 17.11.2001 to 16.11.2006. As per clause 3.7.1 of the said agreement, the petitioner has to pay the licence fee for the total number of trolleys entrusted to him by the respondent authority at the rate of Rs.2130/- per trolley per annum for the use of baggage trolleys for advertisement purpose at Hyderabad. Initially the petitioner was entrusted with 156 baggage trolleys and in the month of February, 2002 the said old 156 trolleys were replaced with new 400 trolleys, and subsequently, the licence fee was enhanced from 2130/- to 2350/- per trolley and to that effect a letter was communicated to the petitioner on 09.04.2002. Subsequently, a supplementary agreement was also executed on 09.05.2003 enhancing the licence fee from Rs.2130/- to Rs.2350/- and it was mentioned in the supplementary agreement that 400 trolleys have been entrusted to the petitioner with effect from 01.02.2002 and accordingly, he was operating 400 trolleys by paying the licence fee. But, the respondent authorities, with out verifying the records, started sending the bills from 30.09.2003 onwards for 650 trolleys instead of 400 trolleys. Pursuant to the said bills, the petitioner made several representations denying the liability to the extent of 250 trolleys. Without considering his representations, the respondent authority issued the impugned proceedings, demanding the petitioner to pay the licence fee for 650 trolleys instead of 400 trolleys. Hence, the present writ petition.

The respondent filed his counter stating that the petitioner has participated in the tender notification in the month of October 2001 for advertisement rights on baggage, Trolley, Trolley Retrieval and Maintenance Contract at Hyderabad Airport and has entered into an agreement on 23.01.2002 and the licence fee is enhanced from Rs.2130/- to Rs.2350/- per Trolley. Further, it is stated that as per the supplementary agreement dated 9.5.2003, the petitioner was entrusted with 400 trolleys and he has been operating 400 trolleys by paying licence fee.

As per the supplementary agreement w.e.f.1.2.2002, the petitioner was handed over 400 Trolleys and subsequently 150 trolleys on 20.02.2002 and 100 trolleys on 18.07.2003. In fact, the petitioner acknowledged the 650 trolleys handed over to him from time to time, and as such the petitioner is liable to pay the licence fee as per the entrustment of trolleys in terms of the agreement. Insofar as the additional entrustment of the trolleys is concerned, the petitioner cannot claim that 100 to 150 trolleys were unserviceable. As per the Agreement clause 3.7.2, the respondent authority has the right to increase the trolley strength and the licence fee based on the number of trolleys made available month-to-month basis. As per clause 3.7.1 of the agreement, the petitioner has to pay the licence fee for each and every trolley at the rate of Rs.2130/- per year. Further, it is stated that the petitioner vide his letter dated 14.09.2005 requested the respondent authorities to refer the matters to Arbitration as per the agreement.

Heard the learned counsel for the petitioner and the learned standing counsel for the respondent.

Having heard the counsel on either side and in view of the fact that the petitioner has already requested the respondent to refer the matter to the Arbitrator as per the terms of the agreement on the disputed point which was raised in this writ petition, it is open for the respondent authority to take appropriate action to refer the matter to the Arbitrator. But, this Court cannot grant any relief to the petitioner, as I do not find any illegality or otherwise in the impugned letters warranting interference of this Court.

Accordingly, the writ petition is dismissed. No costs.

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(V. ESWARAIAH, J)

Date: 08.12.2005

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